CUSA

CONCORDIA UNIVERSITY STUDENTS' ASSOCIATION

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SPECIAL MEETING OF THE BOARD OF DIRECTORS HELD ON WEDNESDAY, NOVEMBER 24, 1993 AT 6:30 P.M. IN H-769, SIR GEORGE WILLIAMS CAMPUS

Documents Considered:
BD-D1: 1993-94 Operating Budget

1.0 CALL TO ORDER

Chairperson, Geoff Dubrow, called this meeting to order at 6:45 p.m.

2.0 ROLL CALL

PRESENT

CO-PRESIDENTS
Philip Dalton (6:50 p.m.)
Lana Grimes (6:50 p.m.)

COMMERCE
Marc Fares (6:52 p.m.)
Andrea Fernandez

ARTS AND SCIENCE
Nada Al-Yazdi
Marilyne Boyer
Helen Ora Cohen (left at 8:25 p.m.)
Allan Feldman
Genevieve Grenier (7:05 p.m.)
Wissam Jawad
Shafik Mina
Laurie Nicholson
Stacy Schacter (left at 9:00 p.m.)
Christine Vieira
Ken McMurray

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FINE ARTS
Jonathan Carruthers
Aimée Darcel

ENGINEERING
Shadi Khader
Andrew Kennedy
Len Podgurny

ABSENT
Arts and Science: Maha Asfour, Pascale Batchoun, Ken Blackburn, Thomas Moll
Commerce: Kristina Bolh, Emmanuel Kamukama
Fine Arts: Jonathan Asencio (w/r)

3.0 APPROVAL OF THE AGENDA

BE IT RESOLVED THAT the agenda of the Special meeting be approved.

A. Brousseau asked to have included the appointments to the Finance Committee to fill the vacancies.

MOTION TO AMEND THE AGENDA TO INCLUDE FINANCE COMMITTEE APPOINTMENTS

Moved by: G. Grenier
Seconded by: P. Dalton

VOTE ON MOTION TO AMEND THE AGENDA TO INCLUDE FINANCE COMMITTEE APPOINTMENTS **UNANIMOUS**

VOTE ON MOTION **UNANIMOUS**

4.0 CHAIRMAN'S REMARKS

The chair stated that several concerned students have approached him with regards to the decorum of the last meeting. He added that security has been informed about several threats that were made during the meeting last Thursday night, which is something that concerns him greatly.

The chair stated that threats are intolerable and that this type of behaviour is totally unacceptable. He added that one of the threats was made towards a female director which strikes him as very disturbing. The chair offered his moral support in ensuring that any complaints against any gender are followed up with security and that the proper procedures take place.

The chair stated that every time a threat is made against a member, it diminishes the capacity of the Board to act

rationally and diminishes the Board's integrity as a whole.

5.0 APPROVAL OF THE 1993-94 OPERATING BUDGET

BE IT RESOLVED THAT the 1993-94 Operating Budget be approved.

Moved by: M. Boyer
Seconded by: K. McMurray

M. Boyer asked to know if any changes have been made since the budget was last brought to the Board. A. Brousseau replied that Bank Interest Charges have been reduced by $5,000.00. He added that in exhibit 2, the salaries have been reduced by $6,000.00 and that the CUSAcorp portion has been reduced by $4,000.00.

M. Boyer asked to know if the cut in salaries is stemming from all employees in this category. A. Brousseau replied that it entails a cut in salary of the office clerk, whose salary is coming from different areas and accounts of the budget.

A. Brousseau stated that with regards to exhibit 3, the Government Related Benefits have increased by $8,000.00 due to an omission in the draft budget. He added that the the association has to match all the benefits such as U.I., and Q.P.P. payments.

L. Nicholson stated that at the last Finance Committee meeting, the executive salaries were not settled and asked to know if they will be at this meeting. A. Brousseau replied that the Finance Committee could not bring back a recommendation to this Board and suggested it be discussed at this meeting.

A. Brousseau stated that Conferences in exhibit 8 was trimmed by $4,000.00 and that with respect to exhibit 12, the CUTV budget has increased by $275.00 and that the CFLI budget has increased as well by $1,000.00 due to equipment that needs repairs.

L. Nicholson asked to know what New Furniture CUSA foresees purchasing for $500.00, in exhibit 4. A. Brousseau replied that this category was included in the draft budget and is an allowance in the event that CUSA has to purchase any new furniture.

A. Feldman asked to know why the projected surplus has decreased from the draft copy that was presented, given that A. Brousseau has presented cuts in this budget. A. Brousseau replied that the reason being, that the benefits of $8,000.00 was previously not budgeted in the draft budget.

L. Nicholson asked to know where the surplus would be allocated. A. Brousseau replied that CUSA is a non-profit organization and should not report or budget for any surplus. He added that given the deficit that exists however, the association could provide a service for the students or disburse the surplus as it sees fit.

P. Dalton asked for a recess as one of the association's groups is encountering a problem that needs to be dealt with.

MOTION TO CALL A RECESS

Moved by: K. McMurray
Seconded by: L. Podgurny

VOTE ON MOTION TO CALL A RECESS **UNANIMOUS**

(Time: 7:05 p.m.)

The meeting resumed at 7:25 p.m.

M. Boyer asked for a breakdown of the Board of Directors expenses. A. Brousseau stated that this entails the honorariums of the chair, the secretary, tapes for meetings, photocopies, etc. He added that the chair has requested an increase in honorarium, which was discussed at the Finance Committee meeting, which denied the request for an increase.

The chair asked if his request for an increase could be discussed at this time. There were no objections.

MOTION TO ALLOW L. PODGURNY TO ASSUME THE CHAIR

Moved by: P. Dalton
Seconded by: M. Boyer

VOTE ON MOTION TO ALLOW L. PODGURNY TO ASSUME THE CHAIR **UNANIMOUS**

A. Brousseau stated that the Finance Committee decided to have the chair's honorarium remain at $750.00 for half the year. He added that the chair has asked for an increase to this amount.

G. Dubrow stated that when L. Grimes asked him to assume the role of chair he already had a pretty full plate but that he felt that it was a duty he wanted to assume. He added that L. Grimes did mention to him that there was an honorarium and that he should speak with A. Brousseau about this issue.

G. Dubrow stated that he is asking for $80.00 more per month, which he feels is pretty fair. He added that he has ample other responsibilities and takes this job pretty seriously. Geoff stated that he had to reduce his workload to one day a week to undertake this job.

G. Dubrow proceeded to justify his expenses with an overhead of his expenses he incurs per month, which amounts to $460.00 a month.

M. Fares asked to know how many hours a week his position of chairperson requires. G. Dubrow replied that approximately 10 hrs/wk are required for meetings, steering agendas, consultations with the Co-Presidents and directors.

S. Mina asked to know what a fixed amount would be for the chair's honorarium for the year. A. Brousseau replied that $1,500.00 was allocated in 1990-91.

S. Khader asked to know if G. Dubrow has given any thought to stepping down as president and vice-president of the Political Science Students association to have more time to work. G. Dubrow replied that he has allotted a lot of time and energy to this group and that it would not be responsibly correct to step down.

L. Grimes suggested that a cost of living allowance be calculated with the figure of $1,500.00 and suggested that a figure of $1,800.00 be set for the chair's honorarium.

MOTION TO AMEND THE BUDGET

BE IT RESOLVED THAT the Board of Directors index the chair's honorarium of $1,500.00 at 5% per year from 1990-91 to an annual honorarium of $1800.00 for the year.

Moved by: M. Fares
Seconded by: L. Grimes

L. Grimes stated that the Board is indexing an amount that was allocated for the chair from three years ago. She added that the chair must be present at all the meetings and that if he does not perform well, by a two-thirds vote the Chair can be removed. Lana stated that when the chair is here and working well, the meetings are going well.

MOTION TO CLOSE THE SPEAKER'S LIST

Moved by: P. Dalton
Seconded by: M. Fares

(Time: 8:00 p.m.)

M. Boyer stated that the chair applied for the job as a renumerated position. She added that people should not be underpaid because CUSA is in debt.

MOTION TO CALL THE QUESTION

Moved by: S. Mina

VOTE ON MOTION TO CALL THE QUESTION **UNANIMOUS**

VOTE ON MOTION **14/1/3** **CARRIED**

L. Nicholson voted against the motion.

Chairperson, G. Dubrow took over the chair at 8:10 p.m.

S. Schacter asked to know how much the Co-Presidents received last year in salaries. A. Brousseau replied that he has no idea, as no documentation exists.

K. McMurray stated that to his knowledge, $10,500.00 was budgeted for each of the Co-Presidents last year.

M. Fares asked to know what a bad debt expense is. A. Brousseau replied that this category entails anyone who owes CUSA money who doesn't pay their debt.

P. Dalton stated that in 1990-91, the Co-Presidents each received $11,000.00.

S. Khader stated that given the amount of hours the Co-Presidents put in, they merit their salaries given that they work night and day.

L. Podgurny stated that this issue was discussed at the Finance Committee meeting and added that directors should keep in mind that competent and able people are required to lead the association to bring it back to its feet. He added that the hours the Co-Presidents put in, accumulates to an hourly wage that is way below minimum wage.

L. Nicholson stated that most of the expenses projected in the budget are not expenses that can be avoided and added that that it is mainly with the salaries that cuts can be made.

J. Carruthers asked to know how much is budgeted for non-academic groups. A. Brousseau replied that $13,000.00 is allocated for non-academic groups.

J. Carruthers asked to know how many groups have already been allocated a budget. A. Brousseau replied that approximately 60-70% of groups have already come forth and added that by December 3rd, no more funds for clubs will be allocated. Alain stated that in the past the cut-off date has usually been the end of October.

The chair asked directors to identify if they are for or against the motion. P. Dalton suggested that directors continue asking their questions and then proceed with debate.

MOTION TO CHALLENGE THE CHAIR

Moved by: P. Dalton

The chair ruled P. Dalton out of order.

MOTION TO GO INTO COMMITTEE OF THE WHOLE

Moved by: A. Feldman
Seconded by: L. Grimes

P. Dalton withdrew the motion.

L. Podgurny pointed out that a debate of six hours on the issue of the budget already took place and suggested that directors limit their questions to issues that haven't already been brought up.

MOTION TO CALL THE QUESTION

Moved by: C. Vieira

VOTE ON MOTION TO CALL THE QUESTION	**12/5/0**	**CARRIED**
VOTE ON MOTION	**12/4/2**	**CARRIED**

A. Feldman abstained from the vote.

6.0 APPROVAL OF MEMORANDUM OF AGREEMENT TO SECURE FINANCING FOR 1993-94 OPERATING BUDGET

L. Grimes stated that what she will present is a method to ensure that the budget that was just passed happen.

Motion 627

WHEREAS the Operating budget has been approved, and;

WHEREAS this Operating Budget does not realize the immediate debt left to CUSA Inc. by the Board of CUSA Inc. and CUSAcorp Management Ltd. for the fiscal 1992-93;

BE IT RESOLVED THAT the Co-Presidents and the V.P. Finance be authorized to secure the necessary financing to cover the immediate and necessary expenditures to creditors, and;

BE IT FURTHER RESOLVED THAT the following is accepted by the parties involved, that is to say, by the Co-Presidents, the V.P. Finance in their securing of this financing and by the Board of Directors, that is to say, the Concordia University Students Association Inc., in its obligations agreed to in the final terms of the financing:

1) **The amount of financing sought will not exceed the debt left by the 1992-93 Board of Directors.**
2) **The term of the financing will not be drawn out over a period of more than three years.**
3) **The Board of Directors as sole shareholder of CUSAcorp Management Ltd. will enter into a shareholders agreement with its subsidiary which outlines a repayment schedule of the amount owed to CUSA Inc. by CUSAcorp Management and that this repayment**

schedule of the amount owed to CUSA Inc. by CUSAcorp Management will not exceed the term of the loan taken by CUSA Inc.

4) **The Board of Directors not wanting the university to act in loco parentis will undertake to bind its successors to the terms of the loan, understanding that any loan agreement signed between CUSA Inc. and Scotia Bank are binding, and the terms changed or negotiated only according to the terms of the contract, and;**

BE IT FURTHER RESOLVED THAT the terms of this loan will be brought to the Board of Directors for final consent and that if necessary an agreement which includes this resolution be signed with Concordia University in exchange for a long term letter of comfort from the university.

Moved by: L. Grimes
Seconded by: M. Boyer

L. Grimes stated that the first part stipulates that the association has a certain amount to spend this year. She added that in the second part, it stipulates that in the budget, the association has not given much thought to the debt that the association has inherited. She added that the association has to find a means for financing and namely the Co-Presidents and the V.P. Finance are in the best position to seek it.

L. Grimes stated that the amount of money that the association should be seeking to obtain should only be the amount which has been inherited from the debt and not seek to borrow more than is required.

L. Grimes stated that the association will not stretch any financing forthcoming over a period of more than three years. She added that intense pressure is being applied to CUSAcorp, the perpetrator of the debt to pay back the debt, in a term to be equal to the term of the loan the association is seeking.

L. Grimes stated that given the association's state of affairs, the best case scenario for the bank is for the university to guarantee the loan. She added that she does not feel that this is the best case scenario. Lana stated that a middle ground is for this Board to make this type of commitment, approach the university with its proposal and seek from the university to provide a longer term guarantee that as long as the university is collecting student fees, it will turn these fees over to CUSA.

M. Fares suggested that the association borrow a little more in case financing is required for upcoming activities. L. Grimes replied that there are areas in the budget whereby CUSA will be collecting revenues, those being CUSAcorp, CASA and ECA and that pressure needs to be applied in these areas to ensure that the association collects.

A. Feldman stated that CUSA should be cautious with the concept of deficit financing and asked to know what type of terms can be obtained to pay back this amount in three years. L. Grimes replied that the association has to pay $100,000.00 a year plus the interest on the principal amount over three years.

P. Dalton stated that obtaining a loan is the only logical step to take as it prevents the ship from sinking. A.

Brousseau stated that approximately 70% of the student fees have gone to pay off creditors.

M. Boyer asked to know if directors are liable if there are ever any major problems with repaying back this loan. A. Brousseau replied that directors are not liable for the loan.

L. Podgurny asked to know if any provisions exist whereby if CUSAcorp brings in a profit that it would go directly towards repaying the loan in a shorter period of time. L. Grimes replied that this will be considered in the agreement that will be signed between CUSA Inc and CUSAcorp.

(Time: 9:15 p.m.)

A. Brousseau stated that only $20,000.00 remains from the student fees which is enough to cover payroll and ensure that services are still operational.

P. Dalton stated that the final wording and hard-copy will be brought back to the Board for final approval.

S. Mina asked to know what amount thus far has been spent in operational costs. A. Brousseau replied that approximately $175,000.00 has been spent in the current year in operational costs.

MOTION TO EXTEND THIRTY (30) MINUTES

Moved by: K. McMurray
Seconded by: L. Grimes

VOTE ON MOTION TO EXTEND THIRTY MINUTES 13/4/0 CARRIED

MOTION TO CALL THE QUESTION

Moved by: L. Podgurny

VOTE ON MOTION TO CALL THE QUESTION 14/2/1 CARRIED

VOTE ON MOTION UNANIMOUS

7.0 APPOINTMENTS TO THE FINANCE COMMITTEE

A. Brousseau stated he needs two (2) directors from Fine Arts, one main and one alternate and two (2) students from Engineering, a main and an alternate.

MOTION TO NOMINATE J. CARRUTHERS

Moved by: L. Nicholson

MOTION TO NOMINATE A. DARCEL

Moved by: K. McMurray

Both directors accepted their nominations and it was decided amongst themselves that A. Darcel would be the main director from Fine Arts and J. Carruthers would be the alternate director.

MOTION TO NOMINATE A. KENNEDY

Moved by: L. Podgurny

MOTION TO NOMINATE L. PODGURNY

Moved by: L. Podgurny

It was decided amongst the two directors that A. Kennedy would serve as the main director and L. Podgurny would be the alternate.

A. Brousseau informed the directors that Finance Committee meetings are usually held on Saturday afternoons from 12:00 p.m.-6:00 p.m.

VOTE ON MOTION **UNANIMOUS**

8.0 MOTION TO ADJOURN

Moved by: L. Grimes
Seconded by: L. Podgurny

VOTE ON MOTION TO ADJOURN **UNANIMOUS**

This meeting was adjourned at 9:40 p.m.

G. Dubrow, Chairperson

H. Danakas, Secretary